

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF OREGON

ADIDAS AMERICA, INC., and  
ADIDAS-SALOMON AG,

05-CV-1297-BR

Plaintiffs,

OPINION AND ORDER

v.

WAL-MART STORES, INC.,

Defendant.

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**BROWN, Judge.**

This matter comes before the Court on Plaintiff's Motion to Compel (#103) and Defendant's Motion to Compel Discovery (#105).

On December 28, 2007, the Court heard oral argument on the Motions and on the record **GRANTED in part** and **DENIED in part**

Plaintiff's Motion as follows:<sup>1</sup>

- (1) Plaintiff's request that Defendant produce in-house design documents of the shoes at issue, including CAD drawings and design-inspiration samples or photos maintained by the product-development group, is **DENIED as moot** because Defendant agreed to certify under oath that it has conducted a thorough search and has produced all documents responsive to this request.
- (2) Plaintiff's request that Defendant produce documents and "things reflecting [Defendant's] purchase of competitors' footwear" (including the footwear of Plaintiff) for use in the product development of Defendant's footwear is **DENIED as moot** because Defendant agreed to certify under oath that it has conducted a thorough search and has produced all documents responsive to this request.
- (3) Plaintiff's request that Defendant produce documents regarding two- and four-stripe Wal-Mart footwear designed or sold in Canada, including buyer/designer information, correspondence, suppliers, design documents, etc., is **GRANTED**. Defendant shall produce the documents responsive to this request by **January 14, 2008**.
- (4) Plaintiff's request that Defendant produce documents

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<sup>1</sup> The issues addressed are taken from the Joint Table of Issues filed by the parties (#133).

regarding licensing agreements, including agreements with Disney, Dr. Scholls, Shaq, and Starter, is **GRANTED**.

Defendant shall produce the licensing agreements and designate a witness who can testify under oath that everything responsive to this request has been produced by **January 14, 2008**.

- (5) Plaintiff's request that Defendant produce documents related to the payment of royalties under license agreements is **GRANTED**. Defendant shall produce the documents responsive to this request and designate a witness who can testify under oath that everything pertinent to this request has been produced by **January 14, 2008**.

- (6) With respect to Plaintiff's request that Defendant produce documents reflecting sales and revenues and costs and deductions for all of the accused or "unclear" shoes, the Court **DIRECTS** Defendant to file a declaration with Plaintiff by **January 7, 2008**, that details the measures Defendant undertook to search, to identify, and to produce records responsive to this request. The parties also shall confer and either inform the Court that they have resolved this request or present a proposal to resolve this request by **January 9, 2008**.

- (7) Plaintiff's request that Defendant supplement its responses to interrogatories by describing the identity and

involvement of individuals engaged in the selection, adoption, and first use of a disputed design, including shoes in Canada and footwear at issue not specifically identified in the Complaint, is **GRANTED** with respect to the information sought about shoes in Canada. Defendant shall produce that information by **January 14, 2008**. With respect to the remaining information requested, Defendant shall provide to Plaintiff by **January 14, 2008**, a statement under oath by an individual with personal knowledge that Defendant has conducted a diligent search and does not have any further information to provide in response to this request.

- (8) Plaintiff's request that Defendant supplement its responses to interrogatories by identifying the target or typical customers of all of the shoes at issue is **GRANTED**.

Defendant shall produce that information by **January 14, 2008**.

- (9) Plaintiff's request that Defendant supplement its responses to interrogatories by identifying and describing the involvement of individuals engaged in the creation, preparation, development, or placement of advertising or promotional material for all of the shoes at issue is **GRANTED**. Defendant shall produce that information by **January 14, 2008**.

- (10) Plaintiff's request that Defendant supplement its responses

to interrogatories to identify third parties selling two-, three-, or four-stripe footwear is **GRANTED**. Defendant shall produce that information by **January 14, 2008**.

(11) Plaintiff's request that Defendant provide an alternate Rule 30(b)(6) designee to discuss the judgments, injunctions, consent decrees, and settlement agreements entered against Defendant is **DENIED** to the extent that Plaintiff wants an alternate witness. The request is **GRANTED** with respect to Plaintiff's request for copies of the judgments, injunctions, consent decrees, and settlement agreements entered against Defendant. Defendant shall produce those documents by **January 14, 2008**.

(12) Plaintiff's request that Defendant provide an alternate Rule 30(b)(6) designee to discuss revenues, profits, and deductible costs for the footwear at issue is **DENIED**.

At oral argument, the Court **GRANTED in part** and **DENIED in part** Defendant's Motion as follows:<sup>2</sup>

(1) Defendant's request that Plaintiff provide a Rule 30(b)(6) designee to discuss advertising, marketing, and sales by Defendant of footwear bearing more than one stripe and the degree of care generally exercised by those who purchase

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<sup>2</sup> The issues addressed are taken from the Joint Table of Issues filed by the parties (#133).

footwear bearing stripe designs from Defendant is **DENIED**.

Plaintiff shall certify to Defendant by **January 14, 2008**, that beyond the information produced to date, it does not have anyone who monitors Defendant's footwear.

- (2) Defendant's request that Plaintiff provide a Rule 30(b)(6) designee to discuss the costs of and profits and losses from the sale of Plaintiff's footwear bearing the three-stripe mark, including fixed versus variable analysis of Plaintiff's expenses, break-even analyses and weighted average cost of capital, time-value-of-money, hurdle rates, minimum return rates, or any cost-of-funds rates is **DENIED as moot**.
- (3) Defendant's request that Plaintiff produce documents and any effect of Defendant's activities on Plaintiff's Canadian operations is **GRANTED**. Plaintiff shall produce these documents by **January 14, 2008**.
- (4) Defendant's request that Plaintiff produce documents concerning or related to a pilot survey that Plaintiff conducted, which indicated possible confusion between K-Swiss's use of four stripes on footwear and Plaintiff's three-stripe mark is **DENIED**.
- (5) Defendant's request that Plaintiff produce documents and testimony related to its agreements with K-Swiss is **GRANTED in part** to the extent that Plaintiff has the information at

issue and it is not the subject of Plaintiff and K-Swiss's common-interest communications or Plaintiff's pilot study. Defendant is entitled to explore the extent to which Plaintiff was aware K-Swiss was marketing a four-stripe product. The parties shall confer and either inform the Court that they have resolved this request or present a proposal to resolve this request by **January 9, 2008**.

- (6) Defendant's request that Plaintiff should number the complete set of documents it has produced to Defendant is **DENIED**. The Court, however, **DIRECTS** Plaintiff to make a numerical record of all documents that it produces to Defendant in the future.

Due to the parties' unnecessarily contentious behavior throughout discovery to date and their repeated noncompliance with this District's Local Rules regarding Motions to Compel and discovery as noted on the record, the Court prohibits the parties from filing any further discovery motions in this action. The Court also prohibits the parties from filing any overlength briefs in this action in the future. To the extent the parties have any remaining discovery issues they wish to discuss with the Court, they should contact the Court's staff to schedule a phone conference at which the Court will screen the issue and decide how to proceed.



Even though the Court did not specifically address the parties' requests for attorneys' fees and costs at the hearing, the Court **DENIES** any such requests because neither party has made a compelling case justifying the award of fees or costs with respect to these Motions.

IT IS SO ORDERED.

DATED this 8<sup>th</sup> day of January, 2008.

/s/ Anna J. Brown

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ANNA J. BROWN  
United States District Judge